CHAPTER 1038

IOWA EGG COUNCIL — ASSESSMENT ON EGGS SOLD S.F. 2340

AN ACT relating to the Iowa egg council and to an assessment on the sale of eggs for support of the council.

Be It Enacted by the General Assembly of the State of Iowa:

- Section 1. Section 196A.1, subsections 3 and 5, Code 1997, are amended to read as follows:
- 3. "Egg by-product product" means a product produced in whole or in part from eggs or spent fowl.
- 5. "Market development" means research and educational programs which are directed toward any of the following:
- a. Better and more efficient production, marketing, and utilization of eggs or egg by products produced for resale products.
- b. Better methods, including, but not limited to, public relations and other promotion techniques, for the The maintenance of present markets and for the development of new or larger domestic or foreign markets and for the sale of eggs or egg by products.
- c. Prevention, modification, or elimination of trade barriers which obstruct the free flow of eggs or egg by-products to market products in commerce.
- Sec. 2. Section 196A.1, Code 1997, is amended by adding the following new subsection: <u>NEW SUBSECTION</u>. 4A. "Eligible voter" means a producer who is qualified to vote in a referendum conducted under this chapter according to the requirements of section 196A.4 or 196A.4A.
 - Sec. 3. Section 196A.4, subsection 3, Code 1997, is amended to read as follows:
- 3. <u>a.</u> Each producer who signs a statement certifying that the producer is a bona fide producer shall be <u>an eligible voter under this section</u>. An eligible voter is entitled to <u>cast</u> one vote <u>in each referendum conducted under this section</u>.
 - b. At the close of the referendum, the secretary shall count and tabulate the ballots cast.
- (1) If a majority of eligible voters favor approve establishing an Iowa egg council and imposing an assessment, a council shall be established, and an assessment shall be imposed commencing not more than sixty days following the referendum as determined by the council and shall continue for a period of five years unless extended as provided in section 196A.4C until eligible voters voting in a referendum held pursuant to section 196A.4C vote to abolish the council and terminate the imposition of the assessment.
- (2) If a majority of the voters do not favor approve establishing the council and imposing the assessment, the council shall not be established and an assessment shall not be imposed until another referendum is held under this chapter and a majority of the eligible voters approve establishing a council and imposing the assessment. If a referendum should fail, another referendum shall not be held within one hundred eighty days.
- Sec. 4. Section 196A.4A, unnumbered paragraph 1, Code 1997, is amended to read as follows:

If approved by a majority of voters at a referendum as provided in this chapter, an The council shall establish an assessment amount set by the council at not more than five cents for each thirty dozen eggs produced in this state. The assessment shall be imposed on the a producer at the time of delivery to a purchaser who will shall deduct the assessment from the price paid to the a producer at the time of sale. The assessment shall not be refundable. The assessment is due to be paid to the council within thirty days following each calendar quarter, as provided by the council.

- Sec. 5. Section 196A.4C, Code 1997, is amended to read as follows:
- 196A.4C REFERENDUMS CONDUCTED DURING THE TENURE OF <u>TO ABOLISH</u> THE COUNCIL AND TERMINATE IMPOSITION OF THE ASSESSMENT.
- 1. A referendum shall be conducted as follows: may be called to abolish the council and terminate the imposition of the assessment.
- a. A referendum to extend the imposition of the assessment imposed pursuant to section 196A.4 shall be held every five years in the year prior to the expiration of the assessment in force.
- b. The secretary shall call, and the department shall conduct, a the referendum upon the department's receipt of a petition which is signed by at least twenty producers requesting a referendum to determine whether to terminate the council and the imposition of the assessment the referendum. The petition must be signed by at least twenty eligible voters or fifty percent of all eligible voters whichever is greater. In order to be an eligible voter under this section, a producer must have paid an assessment in the year of the referendum. The referendum shall be conducted within sixty days following receipt of the petition. The petitioners shall guarantee payment of the cost of the referendum by providing evidence of financial security as required by the department.
- 2. The following procedures shall apply to a referendum <u>conducted pursuant to this section:</u>
- a. The department shall give <u>publish a</u> notice of the referendum on the question whether to continue the council and the assessment by publishing the notice for a period of not less than five days in at least one newspaper of general circulation in the state. The notice shall state the voting places, period of time for voting, and other information deemed necessary by the department. A referendum shall not be commenced until five days after the last date of publication.
- b. Upon signing a statement certifying to the secretary that a person the producer is a bona fide producer an eligible voter, the person a producer is entitled to one vote in each referendum conducted pursuant to this section. The department may conduct the referendum by mail, electronic means, or a general meeting of eligible voters. The department shall conduct the referendum and count and tabulate the ballots filed during the referendum within thirty days following the close of the referendum.
- (1) If a majority of the total number of producers voting eligible voters who vote in the referendum approves approve the continuation of the council and the imposition of the assessment as provided in the referendum, the council shall remain in existence and the imposition of the assessment shall be levied continue as provided in this chapter.
- (2) If a majority of the total number of producers voting eligible voters who vote in the referendum held pursuant to this section do not approve continuing the council and the imposition of the assessment as provided in the referendum, the secretary shall terminate the collection of the assessment on the first day of the year for which the referendum was to continue. The secretary shall terminate the activities of the council in an orderly manner as soon as practicable after the determination. An additional referendum may be held as provided in section 196A.4. However, the subsequent referendum shall not be held within one hundred eighty days.
- Sec. 6. Section 196A.5, unnumbered paragraph 1, Code 1997, is amended to read as follows:

The Iowa egg council established under this chapter shall be composed of seven producers members. Each eouncil member must be a natural person who is a resident of this state and a producer or an officer, equity owner, or employee of a producer. A producer shall not be represented more than once on the council. Two persons shall represent large producers, two persons shall represent medium producers, and three persons shall represent small producers. The council shall adopt rules pursuant to chapter 17A establishing classifications for large, medium, and small producers. The following persons or their designees shall serve as ex officio nonvoting members:

- Sec. 7. Section 196A.5B, subsections 1 and 3, Code 1997, are amended to read as follows:
- 1. The council shall appoint a committee to nominate candidates to stand for election to the council. The council may require that the committee nominate candidates to be appointed by the council to fill a vacancy in a position for the unexpired term of a member. The committee shall be comprised of five producers, including the chairperson of the council who shall serve as the chairperson of the nominating committee. The nominating committee shall include at least one member of the council whose term is next to expire. The committee shall also include at least one producer who is classified as a large producer, if a member whose term is to expire represents large producers; at least one producer who is classified as a medium producer, if a member whose term is to expire represents medium producers; and at least one producer who is classified as a small producer, if a member whose term is to expire represents small producers.
- 3. A <u>The council shall provide a</u> notice of an election for members of the council shall be provided by the council by publication in a newspaper of general circulation in the state and in any other reasonable manner required by the council by any means deemed reasonable by the council. The notice shall include the period of time for voting, voting places, and any other information determined necessary by the council.
 - Sec. 8. Section 196A.11, Code 1997, is amended to read as follows:

196A.11 DUTIES OF COUNCIL.

The Iowa egg council shall do all of the following:

- 1. Provide methods, including, but not limited to public relations and other promotion techniques, for the maintenance of present markets. However, the council shall not impose any marketing order or similar-restriction. Promote all of the following:
 - a. The increased utilization of eggs and egg products.
 - b. Health benefits associated with the consumption of eggs or egg products.
- c. Economic benefits associated with the production and processing of eggs or egg products.
 - d. The safe use and consumption of eggs and egg products.
 - 2. Assist in other Provide for market development.
- 3. Administer elections for members of the council and provide for the appointment of persons to fill vacancies occurring on the council, as provided in section 196A.5B. The department may assist the council in administering an election, upon request to the secretary by the council.
- 4. Perform all acts necessary any other function the council deems necessary to effectuate carry out the provisions of this chapter.
- Sec. 9. Section 196A.12, unnumbered paragraph 1, Code 1997, is amended to read as follows:

The Iowa egg council may do all of the following:

Sec. 10. Section 196A.12, Code 1997, is amended by adding the following new subsection:

<u>NEW SUBSECTION</u>. 5. Receive gifts, rents, royalties, license fees or other moneys for deposit in the Iowa egg fund as provided in section 196A.17.

Sec. 11. Section 196A.13, Code 1997, is amended to read as follows:

196A.13 PROHIBITED ACTIONS.

The <u>Iowa egg</u> council shall not do any of the following:

1. Become a dues-paying member of any organization, including but not limited to a firm, association, or corporation, regardless of whether the organization is public or private. However, upon approval by the council, the council may become a dues-paying member of an organization carrying out a purpose related to the increased consumption and utilization of eggs or egg by-products products.

- 2. Provide direct or indirect financial support to or for the benefit of any other person, except as provided in subsection 1 or for. However, the council may do any of the following:
- a. Provide support to an organization carrying out a purpose related to the increased consumption and utilization of eggs or egg products.
- <u>b.</u> Execute contracts for services related to research, promotional, or public relations programs, or for the carrying out the duties of the council as provided in section 196A.11.
 - c. Pay for administrative expenses of the council.
- 3. Act, directly or indirectly, in any capacity in marketing or making contracts for the marketing of eggs or egg by products products.
- 4. Act, directly or indirectly, in any capacity in selling or contracting for the selling of eggs, egg products, or egg by product equipment used in the manufacturing of egg products.
- 5. <u>a.</u> Make any contribution of council moneys, either directly or indirectly, to any political party or organization or in support of a political candidate for public office, or make.
- <u>b.</u> <u>Make</u> payments to a political candidate including but not limited to a member of Congress or the general assembly for honorariums, speeches, or for any other purposes above actual and necessary expenses.
- Sec. 12. Section 196A.19, unnumbered paragraph 2, Code 1997, is amended to read as follows:

Moneys collected, deposited in the fund, and transferred to the council as provided in this chapter are subject to audit by the auditor of state. The moneys transferred to the council shall be used by the council first for the payment of collection expenses, second for payment of the costs and expenses arising in connection with conducting referendums, and third for market development to carry out the duties of the council as provided in section 196A.11. Moneys remaining after a the council is abolished and the imposition of an assessment is terminated pursuant to a referendum is held when a majority of the voters do not favor extending the assessment conducted pursuant to section 196A.4C shall continue to be expended in accordance with this chapter until exhausted.

- Sec. 13. TRANSFER. The Code editor shall transfer chapter 196A to or near chapter 184 and shall renumber the chapter's sections to enhance the chapter's readability.
 - Sec. 14. Section 196A.25, Code 1997, is repealed.

Approved April 1, 1998

CHAPTER 1039

STATE EMPLOYEE DEFERRED COMPENSATION TRUST FUND S.F. 2350

AN ACT establishing a state employee deferred compensation trust fund.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. <u>NEW SECTION</u>. 19A.12C IOWA STATE EMPLOYEE DEFERRED COMPENSATION TRUST FUND.

1. There is hereby created in the office of the treasurer of state a special fund, separate and apart from all other public moneys or funds of this state, to be known as the "Iowa State Employee Deferred Compensation Trust Fund", hereafter called the "fund". The fund shall consist of all moneys deposited in the fund pursuant to this section, any other assets that